

## **AGENDA**

### ***Commuter Rail Committee Meeting***

**November 16, 2006**

**12:00 p.m.**

#### **Location**

SANBAG Office  
Super Chief Conference Room  
1170 West 3<sup>rd</sup> St., 2<sup>nd</sup> Fl.  
San Bernardino, CA

### ***Commuter Rail Committee Membership***

#### **Chair**

Mayor Pro Tem Patricia Gilbreath  
*City of Redlands*

Mayor Paul Eaton  
*City of Montclair*

#### **Vice Chair**

Council Member Lee Ann Garcia  
*City of Grand Terrace*

Mayor Patrick Morris  
*City of San Bernardino*

Supervisor Paul Biane  
*County of San Bernardino*

Mayor Pro Tem Alan Wapner  
*City of Ontario*

Mayor Robert Christman  
*City of Loma Linda*

Mayor Pro Tem Diane Williams  
*City of Rancho Cucamonga*

**San Bernardino Associated Governments  
County Transportation Commission  
County Transportation Authority  
Service Authority for Freeway Emergencies  
County Congestion Management Agency**

***Commuter Rail Committee Meeting***

**November 16, 2006  
12:00 p.m.**

**Location:** SANBAG Office, 1170 West 3<sup>rd</sup> St., 2<sup>nd</sup> Fl., San Bernardino

**LUNCH WILL BE PROVIDED**  
**R.S.V.P. by Tuesday, November 14th to Daylene at (909) 884-8276**

**CALL TO ORDER**

(Meeting Chaired by Mayor Pro Tem Patricia Gilbreath)

- I. Attendance
- II. Announcements
- III. Agenda Notices/Modifications - Daylene Burris

**1. Possible Conflict of Interest Issues for the Commuter Rail Committee Meeting of November 16, 2006 Pg. 5**

Note agenda item contractors, subcontractors and agents, which may require member abstentions due to conflict of interest and financial interests. Committee Member abstentions shall be stated under this item for recordation on the appropriate item.

**Notes/Actions**

## Consent Calendar

### 2. Commuter Rail Committee Attendance Roster Pg. 7

A quorum shall consist of a majority of the membership of each Policy Committee, except that all County Representatives shall be counted as one for the purpose of establishing a quorum.

## Discussion Items

### 3. Draft Redlands Passenger Rail Station Area Plan Pg. 9

Receive Presentation on Draft Redlands Passenger Rail Station Area Plan and Provide Comment. **Mike Bair**

### 4. Budget Amendment to Commuter Rail Capital Budget, Task Number 37907000 Pg. 11

Approve an amendment to the Commuter Rail Capital Budget, Task Number 37907000, increasing the budget authority by \$564,615 for a new total of \$9,604,650 as identified in the Financial Impact Section. **Mike Bair, Victoria Baker**

### 5. Measure I 2010-2040 Strategic Plan Policy Issues Pg. 13

Review and discuss white paper issues for furtherance of the Strategic Plan. **Mike Bair**

### 6. Draft Southern California Regional Rail Authority (SCRRA) Strategic Assessment. Pg. 39

Receive Draft SCRRA Strategic Assessment. **Mike Bair**

## Public Comments

### 7. Additional Items from Committee Members

### 8. Brief Comments by the General Public

## Additional Information

### Acronym List

## **ADJOURNMENT**

Complete packages of the SANBAG agenda are available for public review at the SANBAG offices. Staff reports for items may be made available upon request. For additional information call (909) 884-8276.

## Meeting Procedures and Rules of Conduct

### **Meeting Procedures**

The Ralph M. Brown Act is the state law which guarantees the public's right to attend and participate in meetings of local legislative bodies. These rules have been adopted by the Board of Directors in accordance with the Brown Act, Government Code 54950 et seq., and shall apply at all meetings of the Board of Directors and Policy Committees.

### **Accessibility**

The SANBAG meeting facility is accessible to persons with disabilities. If assistive listening devices or other auxiliary aids or services are needed in order to participate in the public meeting, requests should be made through the Clerk of the Board at least three (3) business days prior to the Board meeting. The Clerk's telephone number is (909) 884-8276 and office is located at 1170 W. 3<sup>rd</sup> Street, 2<sup>nd</sup> Floor, San Bernardino, CA.

**Agendas** – All agendas are posted at 1170 W. 3<sup>rd</sup> Street, 2<sup>nd</sup> Floor, San Bernardino at least 72 hours in advance of the meeting. Staff reports related to agenda items may be reviewed at the SANBAG offices located at 1170 W. 3<sup>rd</sup> Street, 2<sup>nd</sup> Floor, San Bernardino and our website: [www.sanbag.ca.gov](http://www.sanbag.ca.gov).

**Agenda Actions** – Items listed on both the "Consent Calendar" and "Items for Discussion" contain suggested actions. The Board of Directors will generally consider items in the order listed on the agenda. However, items may be considered in any order. New agenda items can be added and action taken by two-thirds vote of the Board of Directors.

**Closed Session Agenda Items** – Consideration of closed session items *excludes* members of the public. These items include issues related to personnel, pending litigation, labor negotiations and real estate negotiations. Prior to each closed session, the Chair will announce the subject matter of the closed session. If action is taken in closed session, the Chair may report the action to the public at the conclusion of the closed session.

**Public Testimony on an Item** – Members of the public are afforded an opportunity to speak on any listed item. Individuals wishing to address the Board of Directors or Policy Committee Members should complete a "Request to Speak" form, provided at the rear of the meeting room, and present it to the Clerk prior to the Board's consideration of the item. A "Request to Speak" form must be completed for *each* item an individual wishes to speak on. When recognized by the Chair, speakers should be prepared to step forward and announce their name and address for the record. In the interest of facilitating the business of the Board, speakers are limited to three (3) minutes on each item. Additionally, a twelve (12) minute limitation is established for the total amount of time any one individual may address the Board at any one meeting. The Chair or a majority of the Board may establish a different time limit as appropriate, and parties to agenda items shall not be subject to the time limitations.

The Consent Calendar is considered a single item, thus the three (3) minute rule applies. Consent Calendar items can be pulled at Board member request and will be brought up individually at the specified time in the agenda allowing further public comment on those items.

**Agenda Times** – The Board is concerned that discussion take place in a timely and efficient manner. Agendas may be prepared with estimated times for categorical areas and certain topics to be discussed. These times may vary according to the length of presentation and amount of resulting discussion on agenda items.

**Public Comment** – At the end of the agenda, an opportunity is also provided for members of the public to speak on any subject within the Board's authority. *Matters raised under "Public Comment" may not be acted upon at that meeting. "Public Testimony on any Item" still apply.*

**Disruptive Conduct** – If any meeting of the Board is willfully disrupted by a person or by a group of persons so as to render the orderly conduct of the meeting impossible, the Chair may recess the meeting or order the person, group or groups of person willfully disrupting the meeting to leave the meeting or to be removed from the meeting. Disruptive conduct includes addressing the Board without first being recognized, not addressing the subject before the Board, repetitiously addressing the same subject, failing to relinquish the podium when requested to do so, or otherwise preventing the Board from conducting its meeting in an orderly manner. *Please be aware that a NO SMOKING policy has been established for meetings. Your cooperation is appreciated!*

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- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority  
■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

## *Minute Action*

AGENDA ITEM: 1

**Date:** November 16, 2006

**Subject:** Information Relative to Possible Conflict of Interest

**Recommendation\*:** Note agenda items and contractors/subcontractors which may require member abstentions due to possible conflicts of interest.

**Background:** In accordance with California Government Code 84308, members of the Board of Directors may not participate in any action concerning a contract where they have received a campaign contribution of more than \$250 in the prior twelve months from an entity or individual. This agenda contains recommendations for action relative to the following contractors:

Item No.	Contract No.	Contractor/Agents	Subcontractors
		None	

**Financial Impact:** This item has no direct impact on the 2006/2007 Budget.

**Reviewed By:** This item is prepared monthly for review by the Board of Directors and policy committee members.

**Responsible Staff:** Michael Bair, Director of Transit and Rail Programs

*Approved*  
*Commuter Rail Committee*

*Date:* \_\_\_\_\_

*Moved:*

*Second:*

*In Favor:*

*Opposed:*

*Abstained:*

*Witnessed:* \_\_\_\_\_

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# **COMMUTER RAIL COMMITTEE ATTENDANCE ROSTER – 2006**

Name	Jan.	March	April	July	Sept.	Oct.	Nov.
<b>Pat Gilbreath</b>	X	X	X	X	X	X	
<b>Lee Ann Garcia</b>	X			X		X	
<b>Paul Biane</b>	X						
<b>Robert Christman</b>	X	X	X	X		X	
<b>Paul Eaton</b>	X	X	X	X	X	X	
<b>Patrick Morris</b> (Appointed May 2006)						X	
<b>Alan Wapner</b> (Appointed May 2006)					X		
<b>Diane Williams</b>	X	X	X	X	X	X	

Commuter Rail Meetings are held on odd months



# **COMMUTER RAIL COMMITTEE ATTENDANCE ROSTER – 2005**

<b>Name</b>	<b>Jan.</b>	<b>March</b>	<b>May</b>	<b>July</b>	<b>Sept.</b>	<b>Nov.</b>
<b>Pat Gilbreath</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>
<b>Lee Ann Garcia</b>	<b>X</b>	<b>X</b>		<b>X</b>	<b>X</b>	<b>X</b>
<b>Diane Williams</b>		<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	
<b>Paul Biane</b>	<b>X</b>					
<b>Kelly Chastain</b>	<b>X</b>	<b>X</b>		<b>X</b>	<b>X</b>	
<b>Robert Christman</b>		<b>X</b>			<b>X</b>	<b>X</b>
<b>Paul Eaton</b>	<b>X</b>	<b>X</b>	<b>X</b>		<b>X</b>	<b>X</b>
<b>Judith Valles</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>

Commuter Rail Meetings are held on odd months

- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority  
■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

## *Minute Action*

AGENDA ITEM: 3

**Date:** November 16, 2006

**Subject:** Draft Redlands Passenger Rail Station Area Plan

**Recommendation:**\* Receive Presentation on Draft Redlands Passenger Rail Station Area Plan and Provide Comment.

**Background:** In April 2006 the Board awarded Contract C06050 to Gruen Associates to prepare station area plans for the proposed implementation of passenger rail service between the San Bernardino Transcenter and the University of Redlands on the former ATSF Redlands Subdivision acquired by SANBAG in 1993.

The purpose of this work effort is to finalize the location of stations along the rail corridor and determine the types of development that would be acceptable to the affected cities as well as address the Federal Transit Administration's (FTA) emphasis on the transit supportive land use and economic development aspects of the proposed passenger rail project. Transit supportive land use and economic development are two of several criteria the FTA will be reviewing when determining federal grant awards.

Enclosed with the agenda is a copy of the draft report. Gruen and Associates, along with their subcontractors, will be presenting the study results to the Commuter Rail Committee and will be seeking comments from the Committee. A stakeholders' (elected officials, planning commission members and potential developers) meeting and an open-community workshop are scheduled for this afternoon from 2:30 p.m. to 4:00 p.m. and from 4:00 p.m. to 6:00 p.m., respectively, at the Loma Linda Community Center.

\*

*Approved*  
*Commuter Rail Committee*

*Date:* \_\_\_\_\_

*Moved:*

*Second:*

*In Favor:*

*Opposed:*

*Abstained:*

*Witnessed:* \_\_\_\_\_

***Financial Impact:*** The preparation of the draft plan is consistent with the adopted Agency budget. Funding has been provided under Task 38007000. The funding source is LTF Planning.

***Reviewed By:*** This item will be reviewed by the Commuter Rail Committee on November 16, 2006.

***Responsible Staff:*** Michael Bair, Director of Transit and Rail Programs

- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
- San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

## *Minute Action*

AGENDA ITEM: 4

**Date:** November 16, 2006

**Subject:** Budget Amendment to Commuter Rail Capital Budget, Task Number 37907000

**Recommendation:**\* Approve an amendment to the Commuter Rail Capital Budget, Task Number 37907000, increasing the budget authority by \$564,615 for a new total of \$9,604,650 as identified in the Financial Impact Section.

**Background:** A Budget amendment is required to the Commuter Rail Capital Budget, Task 37907000 in order to cover the increase in construction cost over Engineer's Estimate for the Montclair Pedestrian Undercrossing.

In 2003 Southern California Regional Rail Authority (SCRRA) began the Design Phase for the Montclair Pedestrian Undercrossing to comply with a Public Utility Code (PUC) Order to remove the unprotected at-grade crossing at the Montclair station. The initial budget for this project was \$2.85 million. The project design was revised to accommodate the future extension of the Metro Gold Line, and in April 2006, the SANBAG Board approved a budget amendment in the amount of \$1,028,811 to cover the additional cost of the revised design and construction cost increases, for a new total project budget of \$3,878,811.

SCRRA has combined the Montclair Pedestrian Undercrossing project with the East Ontario Platform Extension project in order to affect economies of scale and on October 23, 2006, received three bids. The lowest contractor's bid for Montclair project was \$664,615 over Engineer's Estimate, while the East Ontario project was in approximately \$100,000 under estimate. SANBAG staff is

\*

*Approved*  
*Commuter Rail Committee*

*Date:* \_\_\_\_\_

*Moved:*

*Second:*

*In Favor:*

*Opposed:*

*Abstained:*

*Witnessed:* \_\_\_\_\_

proposing to move the \$100,000 of budget authority from the East Ontario project to the Montclair project. In addition Staff is asking for the Montclair project budget authority to be increased by \$564,615.

**Financial Impact:** The amendment to Commuter Rail Capital Budget, Task 37907000, will increase the budget authority by \$564,615 for a new total of \$9,604,650. The additional funding will be State Transit Assistance Funds.

**Reviewed By:** This item is scheduled to be reviewed by the Commuter Rail Committee at their November 16, 2006, meeting.

**Responsible Staff:** Victoria Baker, Senior Transit Analyst  
Michael Bair, Director of Transit and Rail Programs

- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority  
■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

## *Minute Action*

AGENDA ITEM: 5

**Date:** November 16, 2006

**Subject:** Measure I 2010-2040 Strategic Plan Policy Issues

**Recommendation:**\* Review and discuss white paper issues for furtherance of the Strategic Plan.

**Background:** The SANBAG Board of Directors approved working project cost factors and revenue projections on August 2, 2006. Because consideration of the Project Advancement element of the Measure I Strategic Plan Scope of Work was addressed separately, the next steps in strategic plan development are:

- 1) Development of project prioritization policies and procedures,
- 2) Evaluation of the need for and benefit of "frontloading" or advancing funding for selected programs through inter-program borrowing,
- 3) Further definition of the relationship of fair share development contributions to the fund allocation process, and
- 4) Definition of project development and delivery responsibilities for freeway interchange, major roadway, and grade separation projects.

\*

*Approved*  
*Commuter Rail Committee*

*Date:* \_\_\_\_\_

*Moved:*

*Second:*

*In Favor:*

*Opposed:*

*Abstained:*

*Witnessed:* \_\_\_\_\_

White papers are attached on Measure I 2010-2040 Programs including:

- the Cajon Pass Program,
- the Victor Valley Major Local Projects Program,
- the Rural Mountain/Desert Major Local Projects Program
- the Valley Freeway Program
- the Valley Freeway Interchange Program
- the Valley Major Streets Program
- the Valley Metrolink/Rail Program
- the Valley Express Bus/Bus Rapid Transit Program
- Bond Financing Debt Capacity
- Inter-Program Issues
- Legislative Issues

that identify major technical and policy issues within each program associated with these elements of the scope of work, and alternative strategies to address them for detailed consideration by the policy committee with purview over each program. In addition, staff has developed white papers to address inter-programmatic issues (issues that affect multiple programs or may cause one program to affect others) that do not fit neatly into discussion of any one program, and Legislative issues that may affect or contribute to the success of the program.

Staff provided copies of all white papers to the membership of each committee and the Board of Directors as a whole for the October meetings.

Additional issues raised at primarily the Administrative and Major Projects committee meetings included the following:

1. Is there a point at which we should go back to the voters for an additional increment of sales tax revenue for transportation, rather than cutting projects?
2. Should we review/establish SANBAG policy related to project enhancements vs original scopes of projects to insure that the projects constructed first do not consume funds required for projects to be constructed later?
3. With current escalation of construction costs, should we develop a spend down strategy that analyzes the cost of bonding vs the cost of delayed construction?
4. What are the potential opportunities and challenges related to Public/Private partnerships for SANBAG projects.

5. Should SANBAG be "doing the heavy lifting" related to development mitigation rather than each jurisdiction fighting the battle independently?
6. Will there be sufficient funding to meet all of the needed local and arterial road improvements with the new Measure?
7. Can SANBAG orchestrate a regional lobbying strategy that utilizes the skills and relationships of its elected officials to lobby for federal and State funding to mitigate the impacts of goods movement in San Bernardino County? Can SANBAG develop a fact sheet on the local costs to San Bernardino County related to mitigation of goods movement impacts?

These questions and issues were a subject of some discussion at the October Plans and Programs Committee. Also presented at the Plans and Programs Committee was a preliminary reassessment of the levels of state and federal funding that were assumed to be available during 2010-2040 to contribute to delivery of the Measure I 2010-2040 programs. Assuming protection of Proposition 42 funds and various estimates of state and federal transportation revenue growth, the amount originally assumed in the Expenditure Plan, \$1.1 billion, could be increased by \$1.4 billion to \$3.0 billion. It is expected that these additional funds, like those previously assumed to be available, would be directed primarily to freeway and freeway interchange projects throughout the county, and could contribute significantly toward closing the previously-discussed funding gap created by the rapid cost escalation experienced during the 2003-2005 period. Receipt of state and federal funds in those amounts, however, will require vigilance and leadership on SANBAG's part.

Due to the extent of discussions of the issues and white papers at the Policy committee meetings in October, the discussions have been scheduled to continue at the November Policy committee meetings. Based on the white papers, staff will attempt to frame the issues on which policy direction is required and suggest policy alternatives. Ultimately, each committee will be asked to develop recommendations on the programs or issues within its purview. Staff proposes to then return to the Plans and Programs Committee for continued discussion and policy development on the complete spectrum of issues, with consideration of the input by the policy committees responsible for the various individual programs.

The next workshop will be scheduled as appropriate to consider recommended approaches to the policy issues outlined above and discussed within the white papers. Members of the Board of Directors with interest in a particular program but not on the policy committee with purview over that program are encouraged to attend the committee meetings in an unofficial capacity.



***Financial Impact:*** This item is consistent with the approved Fiscal Year 2006-2007 Budget.

***Reviewed By:*** This item will be reviewed by the Administrative Committee on November 8, the Major Projects Committee on November 9, the Plans and Programs Committee on November 15, the Commuter Rail Committee on November 16, and the Mountain-Desert Committee on November 17, 2006.

***Responsible Staff:*** Ty Schuiling, Director of Planning and Programming  
Darren Kettle, Director of Freeway Construction  
Deborah Barmack, Director of Management Services  
Mike Bair, Director of Transit and Rail Programs  
Terry McGuire, Chief Financial Officer

**Name of Program:** Cajon Pass Program

**Brief description:** Measure I 2010-2040 requires that three percent (3%) of the revenue generated in the San Bernardino Valley Subarea and the Victor Valley Subarea be reserved in advance of other allocations for the Cajon Pass Account for funding of the I-15/I-215 Interchange in Devore, I-15 widening through Cajon Pass, and truck lane development. Cajon Pass serves as the major transportation corridor connecting the two urbanized areas within San Bernardino County and is in need of the identified improvements. These improvements are critical components to intra-county travel for residents of both the Victor Valley and San Bernardino Valley.

**Technical issues:**

In February 2006 the Board of Directors approved the final report for the Interstate 15 Comprehensive Corridor Study. The Study contemplated major transportation investments along the I-15 Corridor from SR 60 to D Street in northern Victorville. Included in the final report were recommendations to proceed with further analysis on two alternatives, dedicated tolled truck lanes and managed (moveable barrier) tolled auto lanes. The I-15 Corridor Study limits extend well beyond the limits of the Cajon Pass Program, the limits of the Cajon Pass program extend from the I-15/I-215 Devore Interchange to Cajon Summit, thus requiring consideration of how the Cajon Pass program fits within the overall I-15 Corridor program.

As part of the Board action approving the final report SANBAG staff was directed to investigate financing options to accelerate one component that was included in both the I-15 Corridor study and is eligible for funding from the Cajon Pass Program, that project being the reconstruction and realignment of the I-15/I-215 Devore Interchange. In August 2006 the Board approved in concept loaning current Valley Major Project funds to the future Cajon Pass program in order to fund project development activities for this project. Staff anticipates requesting the Board to authorize releasing a Request for Qualifications (RFQ) for Preliminary Engineering and Environmental Document development by the end of 2006 with project development work expected to commence in early 2007.

The most glaring technical issue facing the Cajon Pass program is the issue of available funding versus project cost. The Cajon Pass Program as originally proposed to County voters estimated a total Measure I fund availability of \$170 million and State and Federal revenues of \$60 million for a total of \$230 million. Recent estimates for the I-15/I-215 Devore Interchange project exceed \$200 million alone and the current estimate to for an additional lane in both directions on the I-15 through the Cajon Pass is \$ 270 million.

**Policy considerations and alternatives:**

- 1) *Project Acceleration* – The Board has approved loaning funds between the two Measures in order to continue progress on project development activities for the I-15/I-215 Devore Interchange identified in Cajon Pass program. This action will allow preliminary engineering and environmental clearance activities to proceed in advance of new Measure I revenues being available. Design-Build procurement is another tool that could be used to accelerate the Devore Interchange project. The Board's adopted Legislative Program supports the use of Design-Build procurement for transportation projects but a change in state law will be required to allow for Design-Build for freeway projects.
- 2) *Linkages to the Valley Freeway Program and Victor Valley Major Projects Program* – The I-15 Comprehensive Corridor Study clearly shows that while the Cajon Pass projects are necessary to relieve congestion on this major corridor, additional freeway lane capacity will also be required on the I-15 from SR 60 to the Devore Interchanges (a project identified in the Valley Freeway program) and from Cajon Summit to D Street in north Victorville (a project identified in the Victor Valley Major Projects Program). Any discussion that takes place relative to the I-15 freeway mainline improvements through the Cajon Pass must be done in conjunction with the overall I-15 Corridor.
- 3) *Funding availability* – In September 2006 the Board approved a revised Measure I 2010-2040 revenue estimate of \$8 billion, up from \$6 billion in 2004. Based on the revised revenue estimate,

the Cajon Pass Program could anticipate approximately \$225 million or little less than half of the funding need for the construction of the two major Cajon Pass freeway projects. While \$70 million of state and federal funds were initially identified for Cajon Pass Projects, clearly it will be necessary to more aggressively pursue state and federal transportation funds should traditional funding sources (ie., gas taxes, Proposition 42) be the only other funding sources besides Measure I.

Public Private Partnerships may also be a viable alternative to fund the shortfalls in the Cajon Pass program and other Interstate 15 corridor projects. For example, SANBAG and Caltrans might consider proceeding with a Managed Lane Concept that includes a moveable barrier and a total of three new freeway lanes with tolls being charged to use the Managed lanes on the I-15 Corridor from SR 60 to D Street in North Victorville. A project such as this with high volume of traffic on a major freeway corridor are getting more and more attention from the private sector as the economics "pencil out" on a long term investment. An additional benefit of public private partnerships is that they often involve a substantial concession fee that can be used to fund other transportation projects.

**Recommendations:** To be developed through committee discussion.

**Responsible Staff:** Darren Kettle, Director of Freeway Construction

**Name of Program:** Victor Valley Major Local Highway Projects

**Brief Description:** In the Mountain/Desert subareas, 70% of revenue generated is preserved for Local Street Projects. The Measure I Expenditure Plan for each Mountain/Desert subarea specifies that 25% of Measure I revenues collected in each subarea be set aside for Major Local Highway Projects. Eligible projects for the Major Local Highway Projects category include "major streets and highways serving as primary routes of travel within the subarea, which may include State highways and freeways." The Plan also states that these funds can be used to "leverage other State and Federal funds . . . and to perform advance planning/project reports."

**Technical issues:** The Measure I Expenditure Plan estimated that the total amount of funds collected in the Victor Valley Major Local Highway Projects category over the thirty year period would be \$213m. Although this amount is considerably higher than other Mountain/Desert Subareas, the magnitude of transportation needs and cost of major facility construction render this amount woefully insufficient. Revised revenue estimates by subarea are under development and will provide an improved estimate of available revenue throughout the term of the Measure. Although Victor Valley revenue is expected to increase, it is doubtful that the imbalance between needs and available funding will be changed.

In the Victor Valley subarea, it was never anticipated that the Major Local Highway Projects category would fully fund any projects. Although projects were named in the Measure, the named projects were examples of major projects which were easily identified as priorities at the time the Measure was drafted. The projects listed were examples and not intended to represent a comprehensive list for this category. Language in the Expenditure Plan specifically stated these funds would be used as **"Contributions to Projects, including but not limited to:"**

The Expenditure Plan also contained an estimate of \$39m in State and Federal funds which would be available to the Victor Valley subarea. This estimate, however, cannot be relied upon considering the shortcomings of transportation funding at both the State and Federal level.

The Victor Valley is distinctly different from other Mountain/Desert subareas in two specific ways. The incorporated areas and surrounding county areas were included in the SANBAG Nexus Study which requires a fair share contribution by new development to transportation projects. It is also distinctively different in that there are two new major freeway corridors proposed in the subareas; i.e., High Desert Corridor (E-220) estimated to cost \$640m and US-395 estimated to cost \$670m.

The Nexus Study for the Victor Valley indicates the following cost and fair share contributions from new development in the Victor Valley:

Improvement Category	Total Cost	Development Contribution*
High Desert Corridor (E-220)	\$ 640m	\$ 0
US-395	\$ 670m	\$ 0
SR-138 West	\$ 81m	\$ 0
I-15 Widening	\$ 398m	\$ 0
Interchanges	\$ 268m	\$ 146m
Arterials	\$ 586m	\$ 294m
Grade Separations	\$ 32m	\$ 8m

\*Amounts include 2006 cost escalation factor of 12.9%)

Due to the lack of specifically identified projects and the vagaries of the amount of "contributions" from the Major Local Highway Projects category, project prioritization and allocations from the Major Local Highway Projects category are left to future policy determinations.

**Policy Considerations and alternatives:**

Considering the limited financial resources in the Major Local Highway Projects category, a number of policy decisions will be required in establishing principles for allocation of funds in the Victor Valley. Some of the policy considerations are:

- 1) *What criteria should be used to establish eligibility for allocation of funds from the Major Local Highway Projects category? (State highway improvements only? Arterials spanning multiple jurisdictions? Projects which can demonstrate improved performance of general traffic circulation throughout the subarea? Project readiness?)*
- 2) *Should the allocation of funds from Major Local Highway Projects be limited to new corridors, State Highways, and interchanges only? (Approximately 70% of revenue collected in the Victor Valley is available for local streets and arterials. Considering the tremendous need for major highway investment, use of Major Local Highway Project funds to new corridors, State highways, and interchanges may be prudent.)*
- 3) *Should a percentage of funds be set aside for corridor preservation, which would provide a source of local funding for early acquisition and preservation of parcels which may become available along the new corridor alignments?*
- 4) *How are the limited funds in Major Local Highway Projects category allocated? (Full funding of projects on first-ready, first build basis? Percentage of project by phase? Percentage of construction only? Maximum amount per project? Percentage of funds generated on annual basis? Reservation of funds for limited number of specifically identified projects? Allocation based upon amount of additional funds leveraged? Allocation based upon performance measurements and/or assessment of benefit to all jurisdictions within the subarea?)*
- 5) *Is there an expectation that jurisdictions will allocate a portion of Local Street Project funds for project development or as partial funding to be combined with Major Local Highway Projects for project construction?*
- 6) *Should development mitigation be considered in allocation of Major Local Highway Projects? (Are there any special consideration of Development Mitigation contributions in the Victor Valley?)*
- 7) *What special provisions, if any, should be made to allow for areas outside the Nexus Study boundaries to compete for allocations of Major Local Highway Projects? (Projects such as SR-138, SR-2, SR-18 Lucerne.)*

**Recommendation:** To be developed through committee discussion.

**Responsible Staff:** Deborah Barmack, Director of Management Services

**Name of Program:** Rural Mountain/Desert Major Local Highway Projects

**Brief Description:** In the rural Mountain/Desert subareas, the overriding principle was that the highest transportation need and priority were in local street improvements. This is demonstrated by the 70% of revenue categorized for this purpose. The Measure I Expenditure Plan for each of the Mountain/Desert subareas also includes a category of funding for Major Local Highway Projects. (The issues related to this category of funding in the Victor Valley are substantially different and are addressed in a separate issue paper.) The Major Local Highway Projects category receives of 25% of Measure I revenues collected in each subarea. Eligible projects for this category of funds include "major streets and highways serving as primary routes of travel within the subarea, which may include State highways and freeways." The Plan also states that these funds can be used to "leverage other State and Federal funds . . . and to perform advance planning/project reports."

**Technical issues:** The total amount of funds collected in this category over the thirty year period is relatively small compared to the cost of construction for major highway improvements; i.e.; North Desert \$24m, Mountains \$30m, Morongo Basin \$31m; and Colorado River \$15m. Revised revenue estimates by subarea are under development. However, it is safe to say that anticipated revenue in this category may be in the neighborhood of \$1m a year or less.

Due to the vast areas and many miles of major local highways in these subareas areas, it was never anticipated that these funds would fully fund any project/s. Although projects were named in the Measure, the named projects were examples of major projects which were easily identified as priorities at the time the Measure was drafted. The project lists were not intended to provide a specific project list for the term of the Measure. Language in the Expenditure Plan specifically stated these funds would be used as **"Contributions to Projects, including but not limited to:"**

Estimates of an amount of State and Federal funds available to each subarea were included in the Expenditure Plan. These estimates, however, cannot be relied upon considering the shortcomings of transportation funding at both the State and Federal level.

Due to the lack of specifically identified projects and the vagaries of the amount of "contributions" from the Major Local Highway Projects category, project prioritization and allocations from the Major Local Highway Projects category are left to future policy determinations.

**Policy Considerations and alternatives:**

Considering the limited financial resources in the Major Local Highway Projects category, a number of policy decisions will be required in establishing principles for allocation of funds. It is possible that some criteria could be established which apply to all Rural Mountain/Desert subareas. However, it is certain that representatives of each subareas will be required to establish allocation principles which best fit the needs of their each subarea. Some of the policy considerations are:

- 1) *What criteria should be used to establish eligibility for allocation of funds from the Major Local Highway Projects category? (State highway improvements only? Arterials spanning multiple jurisdictions? Projects which can demonstrate improved performance of general traffic circulation throughout the subarea? Project readiness?)*
- 2) *How are the limited funds in Major Local Highway Projects category allocated? (Full funding of projects on first-ready, first build basis? Percentage of project by phase? Percentage of construction only? Maximum amount per project? Percentage of funds generated on annual basis? Reservation of funds for limited number of specifically identified projects? Allocation based upon amount of additional funds leveraged? Allocation based upon performance measurements and/or assessment of benefit to all jurisdictions within the subarea?)*

- 3) *Is there an expectation that jurisdictions will allocate a portion of Local Street Project funds for project development or as partial funding to be combined with Major Local Highway Projects for project construction?*
- 4) *Should development mitigation be considered in allocation of Major Local Highway Projects? (Although none of the subareas in the Mountain/Desert area except the Victor Valley, were included in the SANBAG Nexus Study, most jurisdictions in the rural Mountain/Desert subareas are considering or have established development mitigation programs. How these programs should or should not be linked to the allocation of Major Local Highway Project funds needs to be established.)*

**Recommendation:** To be developed through committee discussion.

**Responsible Staff:** Deborah Barmack, Director of Management Services

**Name of Program:** Valley Freeway Program

**Brief description:** Measure I 2010-2040 requires 29% of revenue collected in the San Bernardino Valley Subarea fund freeway projects within the San Bernardino Valley Subarea. Projects to be constructed with Freeway Projects funds include the widening of the following freeways:

- I-10 HOV – Milliken Avenue to Riverside County Line
- I-15 – Riverside County Line to I-215
- I-215 – Riverside County Line to I-10
- I-215 – SR 210 to I-15
- SR 210 – I-215 to I-10
- HOV Connectors

*Note: The Interstate 215 project through San Bernardino and Interstate 10 Westbound Lane addition down the Yucaipa grade is expected to be fully funded from current Measure I funds.*

**Technical issues:**

- 1) *Project Initiation Documents* – With the exception of the I-215 widening north of the SR 210 interchange and the HOV connectors, all of the projects listed above have had some level of project development work underway.
- 2) *Preliminary Engineering* – Preliminary engineering (the effort required to get a project to 30% design) is underway on the I-215 widening between Riverside County Line and I-10. The Board has conceptually approved proceeding with preliminary engineering for the I-10 widening.
- 3) *Environmental Clearances* – Work is underway on the Environmental Impact Report/Statement for the I-215 widening between Riverside County Line and I-10. The preliminary Project Study Report for the I-10 HOV projects prepared by Caltrans suggests that a Categorical Exception/Exclusion with studies will be the required environmental document. Various levels of environmental analysis will be necessary for all projects identified above with timeframes ranging from 2-6+ years.
- 4) *Final Design* – SANBAG or Caltrans – In the past 5 years or so the SANBAG Board has encouraged staff to pursue lead agency status for the purpose of final design of major freeway projects. It is assumed that this will continue as SANBAG's preferred approach for design activities. It is anticipated that SANBAG will continue to use engineering/design consultants rather than increasing internal staffing to perform this work.
- 5) *Unknowns of project complexity until preliminary engineering/environmental is underway* – The preliminary engineering phase of project development includes a variety of studies, the results of which lead to an ultimate project scope. Studies such as geotechnical/seismic, noise, traffic/system operations, endangered species, right of way, historic properties etc., are necessary element of project development but until these studies are complete it is difficult to truly scope the projects and the total costs associated with the projects.

**Policy considerations and alternatives:**

- 1) *Project Acceleration* – The Board has approved loaning of funds between the two Measures in order to continue progress on project development activities for the I-10 HOV Project identified in Measure I 2010-2040. This action will allow preliminary engineering and environmental clearance activities to proceed in advance of new Measure I revenues being available. The Board's adopted Legislative Program supports the use of Design-Build procurement for transportation projects but a change in state law will be required to allow for Design-Build for freeway projects.
- 2) *Linkages to Valley Freeway Interchange Program* – A number of Valley Freeway Projects will require either early or concurrent construction of antiquated and heavily congested local freeway interchanges. Given the limited resources available and the potential of over a \$1 Billion of



freeway construction in the first decade of the new Measure, it may be necessary to require freeway interchange project funds be made available first to those projects that affect mainline freeway construction

- 3) *Funding availability* – Due to a variety of factors the estimated projects costs for all the major freeway projects have more than doubled. While revenue projections have also increased, revenues still fall far short of what is necessary to fund the construction of all the projects listed above using “traditional” sources. Public-Private Partnerships, a relatively new concept in the United States that typically include some sort of tolling component and concession arrangement, have become an accepted alternative to fund and deliver major freeway capacity projects. A potential candidate corridor for this concept would be the Interstate 15 from the Riverside County Line to Cajon Summit or potentially through the Victor Valley either through a managed lane concept or a dedicated tolled truck lane.

A related policy question is that should SANBAG want to proceed with \$1 Billion worth of Freeway construction in the first decade of the new Measure, it will be necessary to utilize some form of long-term financing. The fundamental issues between long-term financing vs. pay as you go are twofold. First, by constructing the project earlier using bond proceeds, there is a high probability that the project will cost less than it would a number of years later under a “pay as you go” approach. Second, there is a value to the region, be it be it a quality of life value, a reduction in vehicle hours of delay, or air quality benefits, by advancing the project through the use long-term financing. A separate issue paper focusing on long-term financing more thoroughly frames the policy debate in this area.

Another concept to consider is a loan program between Measure categories similar to what was used in the current measure where Valley Major Projects funds that were not yet necessary to fund projects were available to “loan” to the commuter rail program to meet early 1990’s needs for the Metrolink system. The commuter rail program has been repaying the Major Projects program and will fulfill its’ repayment obligation before the sunset of the current measure. Obviously, this concept only works if a major program category does not require a timely use of available funds.

- 4) *System sequencing* – Given the nature of congestion in the Valley region of the County a substantive argument could be made that nearly all of the projects listed above are necessary now or within the next few years. SANBAG has generally used project readiness and funding availability as the determining factors for project delivery. While these two factors should remain elements of the policy decision-making process a third component should be considered which is how does the overall freeway system perform when certain improvements are made. SANBAG staff is currently developing capabilities that will graphically illustrate system performance that may assist the Board in making project prioritization decisions.

**Recommendations:** To be developed through committee discussion.

**Responsible Staff:** Darren Kettle, Director of Freeway Construction

**Name of Program:** Freeway Interchange Projects

**Brief description:** Measure I 2010-2040 requires 11% of revenue collected in the Valley Subarea shall fund Freeway Interchange Projects. There are 31 Freeway Interchange Projects identified in the Measure and language intended to allow for additional interchange projects to be funded from this category. Language is also included in the Measure requiring equitable geographic distribution of projects be taken into account over the life of the program.

**Technical issues:**

The technical issues associated with the freeway interchange program will vary from interchange to interchange. In nearly all instances environmental clearances will likely require the preparation of an Initial Study/Environmental Assessment, a process that currently take an average of 2-3 years. As the interchange projects have direct interface with the freeway system both Caltrans and in most cases the Federal Highway Administration, will have a substantial role in all phases of the project.

There are two programmatic fundamental technical/structural questions that will affect the freeway interchange program that will only be answered through healthy policy debate and the two may very well be in conflict given the reality of the overall funding picture for freeway interchange projects. **First**, Measure I 2010-2040 requires a development contribution to freeway interchange projects and it has not yet been determined when SANBAG would be required to make Measure I Interchange program funds available to a project. **Second**, and potentially in conflict with the easy answers to the first question is how the Interchange program and Valley Freeway Program interface particularly if mainline freeway project acceleration remains a policy priority.

**Policy considerations and alternatives:**

- 1) *Project Acceleration* – The Board has approved loaning funds between the two Measures in order to continue progress on project development activities for the I-10 HOV Project identified in Measure I 2010-2040. This action will allow preliminary engineering and environmental clearance activities to proceed in advance of new Measure I revenues being available. Additionally, to maintain an accelerated schedule, several of the freeway interchange reconstructions must be complete before construction of the mainline HOV project commences. Recent actions by the United State Fish and Wildlife Service have cleared the substantial hurdle of addressing endangered species issues along this corridor so long as mitigation (habitat) is purchased. In general for freeway interchange projects to be delivered in an accelerated fashion design-build procurement may be a viable option. The Board's adopted Legislative Program supports the use of Design-Build procurement for transportation projects but a change in state law will be required to allow for Design-Build for freeway projects.
- 2) *Linkages to Valley Freeway Program* – A number of Valley Freeway Projects will require either early or concurrent construction of antiquated and heavily congested local freeway interchanges. Given the limited resources available and the potential of over a \$1 Billion of freeway construction in the first decade of the new Measure, it may be necessary to require freeway interchange project funds be made available first to those projects that affect mainline freeway construction.
- 3) *Funding availability* – Freeway interchange reconstructions are predominately funded from two sources; Measure I and Development impact fees as determined by the SANBAG Nexus Study program. The gap between projected revenues and estimated projects costs, while not as significant as that of the Valley Freeway program, is still substantial. More complicated perhaps than the potential gap in funding is the likelihood that local jurisdictions will have their local/developer contribution available and it will be incumbent upon SANBAG to make available the Measure I share to the project. This will likely lead to the policy discussion of whether long term financing should also be used for Freeway Interchanges and may shape how the Board might prioritize funding for interchanges vis-à-vis the desire to accelerate mainline freeway projects.

**Recommendation:** To be developed through committee discussion.

**Responsible Staff:** Darren Kettle, Director of Freeway Construction

**Name of Program:** Valley Major Streets Program

**Brief Description**

The Measure I 2010-2040 Expenditure Plan defines eligible Major Streets program projects as "congestion relief and safety improvements to major streets that connect communities, serve major destinations, and provide freeway access." Funding from this program "shall be expended pursuant to a five-year project list to be annually adopted" by SANBAG "after being made available for public review and comment. Funding priorities are improving roadway safety, relieving congestion, street improvements at rail crossings, and shall take into account equitable geographic distribution over the life of the program. Pursuant to Section VIII of the Measure I 2010-2040 Ordinance and the Board-approved Congestion Management Program, eligibility to receive funding from this program is also limited to those major street projects and street improvements at railway crossings for which fair share contributions have been calculated through SANBAG's approved Nexus Study.

**Technical issues**

The Measure I Valley Major Streets Program is to be funded by a combination of Measure I, federal, and fair share mitigation funds (opportunities, constraints, linkage with other programs). The Measure I share of total funding will initially be 20% of Valley revenue, but will be reduced to 17% or less after ten years commensurate with increased funding for the Express Bus/Bus Rapid Transit Service Program. Estimated Measure I revenues (based on \$8 billion total revenue) are \$1.079 billion. In addition, the Measure I 2010-2040 Expenditure Plan identifies \$82 million in state and federal funds and \$444 million in contributions from new development to fund this program. The updated Nexus Study fair share contribution for these projects is \$616 million, for an estimated available revenue total of \$1.777 billion. The updated cost of the eligible projects is \$1.798 billion, for a small programmatic shortfall of \$21 million. Annual Measure I revenue generation is projected to increase from about \$24 million in the first years to about \$58 million by 2040. Linkages between the eligible arterials and freeway interchanges may mean that the timing of projects funded through this programs may be affected by timing of projects funded through the Interchange Program.

**Policy considerations and alternatives**

- 1) "Frontloading" (borrowing from one or more other funding programs to advance projects in another programmatic category, with later repayment to the lender programs) of this or other programs may be deemed desirable by the Board of Directors and member jurisdictions. Current discussion suggests that other programs such as Valley freeways, interchanges, or rail are more likely candidates for frontloading than Major Streets, in which case Major Streets could become a donor program in the early years of the Measure. It appears likely, however, that some Valley jurisdictions consider the Major Street program to be more important in the near term than freeway improvements:
  - Option 1: No inter-program loans; all funds maintained for early delivery major street and grade separation projects.
  - Option 2: Cap loans to other programs at a level that permits limited delivery of major street and grade separation projects from the outset of the program.
  - Option 3: Unlimited loans to other programs with provision for later payback.
- 2) Selected grade separations may deserve priority over most arterial street improvements, but are also more likely to attract funding from sources not contemplated in the Expenditure Plan. They are also more likely to be federalized projects (require NEPA clearance in addition to CEQA clearance). Should the arterial street projects be given some degree of preference over grade separations for expenditure of Measure I 2010-

2040 funds, given that most are unlikely to attract other funds and can be delivered with only CEQA review? If so, what kind and how much preference ought to be given?

- 3) Funding packages for all projects eligible for this funding program have a fair share development contribution. SANBAG could prioritize these projects using performance criteria to assess their relative value for relieving congestion and improving safety and geographic equity considerations. Alternatively, SANBAG could merely respond to locally initiated requests for match against the requisite level of development funding. Specific allocation strategies include:

- Option 1: Call-for-projects basis – A call-for-projects would be issued by SANBAG to allocate a specified amount of program funding based on Board-approved evaluation criteria. Project maximums may or may not be specified.
  - Sub-option A: Geographic equity controlled through criteria weighting factors
  - Sub-option B: Geographic equity controlled by capping access to Measure funds for individual jurisdictions (caps can be adjusted if other jurisdictions do not use funds within a prescribed timeframe)
  - Sub-option C: No geographic control
- Option 2: Project readiness basis – Jurisdictions would request Measure dollars from SANBAG to match locally contributed development financing when a certain phase of the project is ready. SANBAG would provide a commitment to the jurisdiction that specified funds will be available.
  - Sub-option A: Geographic equity controlled by capping access to Measure funds for individual jurisdictions
  - Sub-option B: No geographic control

- 4) Another issue is the actual conveyance of the Measure I dollars. Alternatives include:

- Option 1: Reimbursement process – Jurisdictions expend funds on a project and submit invoices to SANBAG; reimbursement occurs based on agreed percentage of actual costs (could be with or without caps on reimbursement amount)
- Option 2: Grant/MOA process (with possible refund to SANBAG if actual costs are less than original estimate)

- 5) Cost overruns can be treated in at least two ways:

- Option 1: SANBAG commitment is to a percentage, regardless of cost
- Option 2: SANBAG commitment is capped with the original agreement; and the overrun is the responsibility of jurisdiction

- 6) Project Management and Delivery Responsibilities. Historically, arterial project delivery has been the purview of local governments. This could change should local governments wish SANBAG to take a lead role, or in instances in which an arterial project is closely linked to a freeway interchange project on which SANBAG acts as lead agency.

**Recommendations** To be developed through committee discussion.

**Responsible Staff:** Ty Schuiling, Director of Planning and Programming

**Name of Program:** Metrolink/Rail Service

**Brief Description:** Measure I 2010-2040 requires 8% of Valley Measure I shall funds passenger rail projects, including the extension of the Metro Gold Line to Montclair, the implementation of passenger rail service between San Bernardino and Redlands and for the Metrolink system, the purchase of additional passenger cars and locomotives, construction of additional track capacity, construction of additional parking at stations and provide match funds for State and Federal revenues used for maintaining equipment, track and signal and road crossings.

**Technical issues:** The Metrolink/Rail Service Program is to be funded by a combination of Measure I, federal, state and local funds. Over the 30-year period, Measure I will generate nearly \$487 million. Federal Transit Administration (FTA) funds (Sections 5307 - Fixed Guideway, 5309(m)(2)(A) New Starts and Small Starts, and 5309(m)(2)(B) - Rail Modernization) are expected to total \$479 million. This estimate of FTA revenue assumes that 50% of the capital cost for the Gold Line and Redlands extensions will be awarded (\$122.5 million). The proportion of San Bernardino Valley local revenue (Local Transportation Funds, State Transit Assistance Funds and Rail Asset funds) required for supporting the passenger rail program is not set in stone and will vary from year to year.

Both the Metro Gold Line and Redlands extensions, if everything falls in line, could be completed within the first four years of the new Measure I Program. Without other revenue sources being available, this could require a Measure I Rail commitment of \$122.5 to match a like amount of FTA funds. Only about \$40 million in Rail revenue will be generated in those four years. Staff has attempted to utilize as much of other revenue (local and CMAQ) that might be available to support these two important projects. Even with the reasonable use of other revenues, the amount of Measure I Rail funds required will total more than \$63.8 million; \$23.8 million more than the revenues generated.

**Policy considerations and alternatives:**

- 1) Both the Metro Gold Line and Redlands extensions have strong public and political support. It will be critical for SANBAG to continue to be a strong supporter of the Gold Line extension to Montclair and to leverage other Federal, State and local (Los Angeles County) funds as they become available.
- 2) Currently, cities along both projects appear to be supportive of transit oriented development at the proposed station locations; thus supporting the SCAG 2% Compass program.
- 3) The Gold Line extension is proposed as a design/build project. The Redlands extension could become a design/build project as well.
- 4) There are still several steps that need to be taken for both of these projects to win FTA approval to enter into preliminary engineering. For the Gold Line extension the major step includes a new travel forecast provided by LACMTA and getting project in Long Range Transit Plan. For the Redlands extension, the requirements for Small Starts are still not final, but the interim regulations will require the following prior to FTA authorization for Preliminary Engineering and Environmental Clearance:
  - A. Alternatives Analysis Report
  - B. Selection of LPA
  - C. Agreement of Baseline Alternative (FTA concurrence)
  - D. Planned ridership, cost inputs and estimates
  - E. Identification of transit rider benefit (travel forecast)
  - F. Economic Development Impacts
  - G. Transit Supportive Land Use and Future Patterns
- 5) Methods of advancing the two rail extension projects:

- A. Borrowing from other Valley programs
- B. Include financing with bond proceeds
- C. Delay implementation of Redlands Extension and fund Gold Line, or visa versa  
(still would require short-term borrowing for cash flow purposes)
- D. Design/Build

**Recommendations:** To be developed through committee discussions.

**Responsible Staff:** Mike Bair, Director of Transit and Rail Programs

**Name of Program:** Express Bus/Bus Rapid Transit Service

**Brief Description:** Measure I 2010-2040 requires that 2% of Valley Measure I shall fund the Express Bus/Bus Rapid Transit Service category. Effective 10 years following the initial collection of revenue, this category amount shall increase to at least 5% and may increase to no more than 10% upon approval by the Authority Board. Assuming that the 5% is selected for the remaining 20 years, approximately \$206.6 million would become available. The implementation of Bus Rapid Transit (BRT) will require federal funding from either the Federal Transit Administration Section 5309 New Starts or Small Starts programs.

**Technical issues:** In July 2004 Omnitrans developed a System-Wide BRT Corridor Plan that identifies 7 potential corridors. Of these seven corridors, the "E" Street corridor (from north of Cal State University to the VA Hospital in Loma Linda) was selected for early implementation. In December 2005 Omnitrans completed the alternatives analysis of the "E" Street corridor and selected a Locally Preferred Alternative (LPA) and is now seeking authorization to begin Preliminary Engineering and Environmental Clearance phase. The preliminary cost estimate for the LPA is \$156.2 million in 2005 dollars. The anticipated implementation date is the end of 2010.

**Policy consideration and alternatives:**

Clearly, the implementation schedule noted above would require a funding commitment prior to the Measure I 2010-2040 taking effect. One of the arguments given for not increasing the amount of new Measure I revenue to this category was that some of the infrastructure improvements required would be eligible under the Valley Major Streets program. Approximately \$45.6 of the estimated cost could be eligible for funding from the Valley Major Streets program; leaving a balance of \$110.6 million from other sources. It may be possible that the amount of federal funding could be as high as 80%, but a more likely amount would be 50%. So the amount of local funds necessary could range from \$12.2 to \$55.3 million. On a pay-as-you-go basis, it would take between 6 and 13 years to accumulate that amount of revenue under this program.

- 1) Should the BRT fixed guideway portion, excluding the dedicated bus bridge over I-10, of the project be consider for Valley Major Streets funding? And how should the BRT project be rated against other pressing needs for the Valley Major Streets program funds?
- 2) Should the funding for the BRT project be included in an advance bonding scenario?
- 3) Should there be a subset of this program funding to support future express bus service?

**Recommendation:** To be developed through committee discussion.

**Responsible Staff:** Mike Bair, Director of Transit and Rail Programs



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**Name of Program:** New Measure I Bond Financing Debt Capacity

**Brief Description:** The New Measure I Bond Financing Program will provide funding for capital project construction that is not expected to be financed on a pay-as-you-go basis. The program could be divided into a first/senior lien program that is primarily used to finance major projects (freeways, interchanges, and possibly passenger rail and major arterials) and a second/junior lien program that is used for local streets, and possibly major arterials. Debt capacity for the program is dependent upon many factors and constraints that are not known at this time, primarily future sales tax revenues, interest rates and the amortization period of the debt. It is reasonable to expect that the overall debt capacity for the new Measure I program could range between \$600-\$800 million in the first five years of the program (composed of \$500-\$700 million of 1<sup>st</sup> lien bonds and \$100-\$200 million of 2<sup>nd</sup> lien bonds).

**Technical Issues:** The program must be structured to meet all of the allocation/distribution requirements of the Expenditure Plan. The Additional Bonds Test for both first and second lien bonds must be structured to maximize credit ratings and financing flexibility for the capital financing program. Measure I revenues, financing interest rates and the Additional Bonds Test will be the primary constraints on debt financing capacity. Lower revenues than those that are forecast, higher financing interest rates and a restrictive Additional Bonds Test will reduce debt financing capacity. Measure I revenues greater than forecast, lower financing interest rates and a less restrictive Additional Bonds Test will result in increased debt financing capacity.

**Policy Considerations and alternatives:** Pay-as-you-go project financing is the only alternative to debt financing for projects. Project readiness and need for financing will dictate the timing of the first financings; however, it is possible for SANBAG to lock-in current low interest rates with hedging strategies when there is some certainty of project readiness and capital requirements. Debt covenants that will be embodied in a financing resolution and trust indenture will establish policies for the debt financing program.

**Recommendations:** To be developed through committee discussions.

**Responsible Staff:** Terry McGuire, Director of Finance

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**Name of Program:** Inter-program Issues

**Brief Description:** Several issues that affect multiple programs or may cause one program to affect others also exist, and do not fit neatly into discussion of any one program. They are discussed below.

**Policy Considerations and Alternatives:**

- 1) *Prioritization among programs, which may include borrowing from one or more programs to "frontload" another program.* As a hypothetical example, the Board may assign a higher priority to freeway construction than new major streets and rail projects, and choose to borrow revenues from those programs in the first years of the new sales tax measure to for early freeway construction, with provision for payback in later years. Metrolink funding in the current Measure I is a model for this approach. Informal discussions with staffs of SANBAG's member agencies suggests that no consensus exists thus far on prioritization of one or more programs over others, but that broad agreement should be reached, based on further discussion, before any such decision is made.
- 2) *Inter-program sequencing.* Beyond the more familiar issue of how to prioritize transportation projects within a particular program, projects funded by different programs may relate to one another such that a particular delivery sequence is desirable or even necessary to minimize construction-related transportation impacts and improve the efficiency of project delivery. Examples are the sequencing of freeway interchange (to be funded from the Valley Interchange Program) and freeway mainline improvements (to be funded from the Valley Freeway Program) within a given corridor, or the timing of arterial roadway improvements (to be funded from the Valley Major Streets Program) in proximity to a freeway interchange project (to be funded from the Valley Interchange Program). Staff suggests consideration of the following principle:
  - *Project delivery sequences that are determined to be more efficient and less costly to deliver and less impacting to the traveling public than others should be pursued.*
- 3) *Fiscal Management.* It is generally advantageous, when possible, to deliver projects without use of federal funds to avoid the federal local assistance process and National Environmental Policy Act (NEPA) compliance issues. However, larger projects such as mainline freeway improvements and many freeway interchanges must be federalized under any circumstance. It therefore makes sense to maximize utilization of federal funds on those projects that must go through the federal process anyway, and avoid federal funding of projects that can otherwise be delivered locally with California Environmental Quality Act (CEQA) review.

The Measure I 2010-2040 Expenditure Plan identifies a distribution of Measure, Federal and State, and fair share development revenues among the various Measure programs. However, these proportions will change among some programs because of updated Measure I 2010-2040 revenue forecasts, updates to the SANBAG nexus study, and changes in the availability of state and federal funds (such as passage of Propositions 1A and 1B in November, and allocation of federal monies to Alameda Corridor East grade separations in SAFETEA-LU). Staff suggests consideration of the following principles consistent with the Expenditure Plan:

- *Maximize use of federal funds on otherwise federalized projects*
- *Use Measure I and local dollars to leverage State and Federal dollars to the maximum possible extent*

- 4) *Project initiation.* Responsibility for initiation of roadway projects can rest with SANBAG or with local governments. Initiation by SANBAG could occur as a result of prioritization of projects within a programmatic category and a statement of SANBAG's willingness to fund selected high-priority projects, or a call-for-projects in which projects submitted by local governments in response to the call receive allocations in accordance with previously developed and approved criteria established by SANBAG. Alternatively, local governments could initiate projects in accordance with their own priorities at such time as fair share development contributions within that jurisdiction are sufficient to match the proportion of funds from other sources consistent with the Nexus Study. A complicating factor may be that projects prioritized in accordance with a preferred project delivery sequence as described in section #2 (above) may not be the responsible local government's priority, nor the project on which the local government would otherwise choose to focus its available development financing. This issue will be discussed further in the context of more detailed discussion of the Valley Freeway, Freeway Interchange, and Major Streets programs.

**Recommendation:** To be developed through committee discussion.

**Responsible Staff:** Ty Schuiling, Director of Planning and Programming

**Name of Program:** New Legislative Initiatives

**Brief Description:** San Bernardino Associated Governments (SANBAG) is guided by its board approved legislative platform to seek legislative remedies for transportation policy and funding of transportation infrastructure projects. Additionally, in terms of securing federal funds for major projects within San Bernardino County, SANBAG adopts a list of projects seeking money through the annual appropriations process. In the past, SANBAG's strategy entailed a geographic approach concentrated on interchanges and highways, grade separations and transit projects in accordance to congestion relief needs. The result of this strategy provided small amounts of federal funds for a number of projects.

The passage of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), a multi-year authorization measure, modified the climate for securing federal funds for major transportation projects. Due to the number of earmarks authorized by SAFETEA-LU, the appropriations process for additional earmarks is much more competitive now and there is a clear push to promote completion of a transportation system rather than individual projects. Bearing in mind this shift, SANBAG might be in a better position to compete for limited federal funds by targeting large regional projects requiring a larger share of federal funding, which rallies the support of the entire Congressional Delegation representing San Bernardino County.

The following items are intended to promote discussion on SANBAG's future strategy for new legislative initiatives.

## **Policy Considerations and Alternatives:**

- 1) *Seek Funding for All Projects.* As in the past, SANBAG may adopt a strategy to continue its current strategy for acquiring federal funds for all major transportation projects within San Bernardino County. The benefit to this approach is that every Board member can report to their respective jurisdictions that federal funds are being sought on such projects. The pitfalls of this strategy includes the amount of time it takes build up enough funding to complete a given project, the process to receive funding is fragmented, and allowable timeframes to utilize such funding may not coincide with the project delivery schedule.
  - *This year, newspaper articles cited that the House Appropriations Committee required representatives to better prioritize funding requests. In the coming year, it will be especially important for SANBAG to clearly communicate funding needs that benefit the regional as a whole.*
- 2) *Seek Funding for Single Large Corridor Project.* With a focus on a single, large-scale project of regional importance, SANBAG's federal funding request strategy might concentrate on a major projects along a mainline corridor. The single, large-scale corridor project may change from year to year and aim to complete corridors to alleviate congestion and/or promote goods movement. While this strategy will only seek funds for a single, large-scale corridor project for a given fiscal year, federal funds received might significantly reduce the need to utilize measure funds on a given project and thus measure funds can be used to complete other critical projects within San Bernardino County. Foreseeable benefits to implementing this strategy includes securing a larger share of federal funds a major projects and providing an opportunity to leverage state, federal and local funds to the highest degree possible. On the flip side, this approach would require SANBAG to be more competitive.
  - *To successfully implement this strategy, SANBAG will need to assess the amount of effort, commitment and resources this new strategy will require. Additionally, SANBAG will need to reach outside of the agency in a more aggressive manner to gain the support of the business community and other community stakeholders. Currently, SANBAG has one staff person focused on both the state and federal legislative strategy. Having adequate resources to assist board members effectively communicate this strategy and gain the support of Congress and the business community will be a key element to implementing this approach.*

T E A R O

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- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
- San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

### *Minute Action*

AGENDA ITEM: 6

**Date:** November 16, 2006

**Subject:** Draft Southern California Regional Rail Authority (SCRRA) Strategic Assessment.

**Recommendation:**\* Receive Draft SCRRA Strategic Assessment

**Background:** During the past two-plus years, SCRRA and its member agencies (represented by the respective technical advisory committee members) have been developing a Strategic Assessment of the commuter rail program over the next twenty-five years. Enclosed with the agenda is a copy of the draft report.

The attached PowerPoint presentation was given during the SCRRA Board of Directors' Strategic Work Session on October 28<sup>th</sup>. Staff is making this information available so that comments on the Strategic Assessment may be received from the Committee and forwarded to SCRRA prior to formal action by the SCRRA Board. SCRRA would like to have any comments by the 1<sup>st</sup> of December. Comments are to be channeled through the member agency TAC representative (either Victoria Baker or myself).

Staff will be looking towards the Strategic Assessment service levels and capital improvements necessary to achieve that forecasted for 2015 as part of the development of the Fiscal Year 2007/2008 to 2011/2012 Commuter Rail Short Range Transit Plan (SRTP). The Commuter Rail SRTP is expected to be presented to the Commuter Rail Committee in January, 2007. We will also be reviewing the service levels and capital projects through 2030 as part of the Long Range Transit Plan that is expected to be completed later next year.

*Approved*  
*Commuter Rail Committee*

*Date:* \_\_\_\_\_

*Moved:*

*Second:*

*In Favor:*

*Opposed:*

*Abstained:*

*Witnessed:* \_\_\_\_\_



Commuter Rail Agenda Item

November 16, 2006

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***Financial Impact:*** This item has no direct impact on the Agency budget. Staff time involved during the development of the Strategic Assessment has been funded under subsequent year Commuter Rail General Tasks and this year's Task 3507000. The funding source has been and is LTF -Planning.

***Reviewed By:*** This item will be reviewed by the Commuter Rail Committee on November 16, 2006.

***Responsible Staff:*** Michael Bair, Director of Transit and Rail Programs

## SANBAG Acronym List

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AB	Assembly Bill
ACE	Alameda Corridor East
ACT	Association for Commuter Transportation
ADA	Americans with Disabilities Act
APTA	American Public Transportation Association
AQMP	Air Quality Management Plan
ATMIS	Advanced Transportation Management Information Systems
BAT	Barstow Area Transit
CAC	Call Answering Center
CALACT	California Association for Coordination Transportation
CALCOG	California Association of Councils of Governments
CALSAFE	California Committee for Service Authorities for Freeway Emergencies
CALTRANS	California Department of Transportation
CARB	California Air Resources Board
CEQA	California Environmental Quality Act
CHP	California Highway Patrol
CMAQ	Congestion Mitigation and Air Quality
CMP	Congestion Management Program
CNG	Compressed Natural Gas
COG	Council of Governments
CSAC	California State Association of Counties
CTA	California Transit Association
CTAA	Community Transportation Association of America
CTC	California Transportation Commission
CTC	County Transportation Commission
CTP	Comprehensive Transportation Plan
DMO	Data Management Office
DOT	Department of Transportation
E&H	Elderly and Handicapped
EIR	Environmental Impact Report
EIS	Environmental Impact Statement
EPA	United States Environmental Protection Agency
ETC	Employee Transportation Coordinator
FEIS	Final Environmental Impact Statement
FHWA	Federal Highway Administration
FSP	Freeway Service Patrol
FTA	Federal Transit Administration
FTIP	Federal Transportation Improvement Program
GFOA	Government Finance Officers Association
GIS	Geographic Information Systems
HOV	High-Occupancy Vehicle
ICMA	International City/County Management Association
ICTC	Interstate Clean Transportation Corridor
IEEP	Inland Empire Economic Partnership
ISTEA	Intermodal Surface Transportation Efficiency Act of 1991
IIP/ITIP	Interregional Transportation Improvement Program
ITS	Intelligent Transportation Systems
IVDA	Inland Valley Development Agency
JARC	Job Access Reverse Commute
LACMTA	Los Angeles County Metropolitan Transportation Authority
LNG	Liquefied Natural Gas
LTF	Local Transportation Funds
MAGLEV	Magnetic Levitation
MARTA	Mountain Area Regional Transportation Authority
MBTA	Morongo Basin Transit Authority
MDAB	Mojave Desert Air Basin
MDAQMD	Mojave Desert Air Quality Management District
MIS	Major Investment Study
MOU	Memorandum of Understanding

## SANBAG Acronym List

2 of 2

MPO	Metropolitan Planning Organization
MSRC	Mobile Source Air Pollution Reduction Review Committee
MTP	Metropolitan Transportation Plan
NAT	Needles Area Transit
OA	Obligation Authority
OCTA	Orange County Transportation Authority
OWP	Overall Work Program
PA&ED	Project Approval and Environmental Document
PASTACC	Public and Specialized Transportation Advisory and Coordinating Council
PDT	Project Development Team
PPM	Planning, Programming and Monitoring Funds
PSR	Project Study Report
PTA	Public Transportation Account
PVEA	Petroleum Violation Escrow Account
RCTC	Riverside County Transportation Commission
RDA	Redevelopment Agency
RFP	Request for Proposal
RIP	Regional Improvement Program
ROD	Record of Decision
RTAC	Regional Transportation Agencies' Coalition
RTIP	Regional Transportation Improvement Program
RTP	Regional Transportation Plan
RTPA	Regional Transportation Planning Agencies
SB	Senate Bill
SAFE	Service Authority for Freeway Emergencies
SANBAG	San Bernardino Associated Governments
SCAB	South Coast Air Basin
SCAG	Southern California Association of Governments
SCAQMD	South Coast Air Quality Management District
SCRRA	Southern California Regional Rail Authority
SED	Socioeconomic Data
SHA	State Highway Account
SHOPP	State Highway Operations and Protection Program
SOV	Single-Occupant Vehicle
SRTP	Short Range Transit Plan
STAF	State Transit Assistance Funds
STIP	State Transportation Improvement Program
STP	Surface Transportation Program
TAC	Technical Advisory Committee
TCM	Transportation Control Measure
TCRP	Traffic Congestion Relief Program
TDA	Transportation Development Act
TEA	Transportation Enhancement Activities
TEA-21	Transportation Equity Act for the 21 <sup>st</sup> Century
TIA	Traffic Impact Analysis
TMC	Transportation Management Center
TMEE	Traffic Management and Environmental Enhancement
TOC	Traffic Operations Center
TOPRS	Transit Operator Performance Reporting System
TSM	Transportation Systems Management
USFWS	United States Fish and Wildlife Service
UZAs	Urbanized Areas
VCTC	Ventura County Transportation Commission
VVTA	Victor Valley Transit Authority
WRCOG	Western Riverside Council of Governments

# ***San Bernardino Associated Governments***



## **MISSION STATEMENT**

To enhance the quality of life for all residents, San Bernardino Associated Governments (SANBAG) will:

- Improve cooperative regional planning
- Develop an accessible, efficient, multi-modal transportation system
- Strengthen economic development efforts
- Exert leadership in creative problem solving

To successfully accomplish this mission, SANBAG will foster enhanced relationships among all of its stakeholders while adding to the value of local governments.

Approved June 2, 1993  
Reaffirmed March 6, 1996